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STATE NS. - DESOTO CO. p.  
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1991 ANNE M. CHISUM REVOCABLE TRUST

P BK 92 PG 147

BK 92 PG 147  
ANNE M. CHISUM (called the "Settlor" or "Trustee") declares that she has set aside in trust the property described in Exhibit "A" attached to this instrument.

WHEREAS, the Settlor desires to establish a trust in order to facilitate the management of the Settlor's estate during her life and to create a convenient vehicle for the disposition of her estate.

WITNESSETH:

ARTICLE ONE

Declaration Regarding Trust Estate and Family

Section 1.01. Definition of Trust Estate.

Property subject to this instrument listed in Exhibit "A" and subsequent additions to this trust are referred to as the "Trust Estate" and shall be held, administered, and distributed in accordance with this instrument.

Section 1.02. Declaration Regarding Family.

The Settlor declares that she is an unmarried woman and has four (4) children, namely, JEREMY W. CHISUM, JASON W. CHISUM, JOSH W. CHISUM, and MANDY R. CHISUM, and all further references to her children are to them.

ARTICLE TWO

Distribution During Settlor's Lifetime

Section 2.01. Payments of Income and Principal.

During the Settlor's lifetime, the Trustee shall pay to or apply for the benefit of the Settlor the net income of the Trust Estate in quarter-annual or more frequent installments.

If the Trustee considers the net income insufficient, he shall pay to or apply for the benefit of the Settlor as much of the principal of the Trust Estate as is necessary in the Trustee's discretion for the Settlor's health, support and maintenance, after considering the Settlor's other income or resources outside the Trust Estate, known to the Trustee.

Section 2.02. Additions to Trust by Settlor's Conservator.

If, upon the incapacity of the Settlor, any assets of the Settlor have not been transferred to the trust, the Conservator may, in

his discretion, transfer such assets outside the trust to the trust upon petition to the court having jurisdiction over the Conservatorship. The Conservator may also petition the court to terminate the Conservatorship if all assets have been transferred to the trust.

### ARTICLE THREE

#### Death of the Settlor

##### Section 3.01. Additions to Trust.

On the death of the Settlor, the Trustee shall add to the Trust Estate any additions made to the trust by reason of the Settlor's death, such as from the Settlor's Will or life insurance on the Settlor's life. The Trust Estate shall be distributed or retained in trust as further provided in this instrument.

##### Section 3.02. Deceased Settlor's Expenses.

(a) Payment of Specified Items. On the death of the Settlor, the Trustee shall make payments out of the Trust Estate for the following items:

- (1) The debts of the Settlor;
- (2) The estate and inheritance taxes (including interest and penalties) which arise because of the Settlor's death attributable to the Trust Estate, the Settlor's probate estate, or attributable to transfers outside the probate estate in which the transferred property is added to the Trust Estate;
- (3) The last illness and funeral expenses of the Settlor;
- (4) Attorneys' fees; and
- (5) Other costs incurred in administering the Settlor's probate estate or Trust Estate.

(b) Allocation of Taxes, Debts and Other Costs. Any payments for estate or inheritance taxes shall be charged to the Trust Estate without apportionment or charged against any beneficiary of the Trust Estate or any transferee of property passing outside of the Trust Estate. Payments for debts, last illness, funeral, and other administration costs shall be charged to the Trust Estate, without apportionment or charged against any beneficiary of the Trust Estate or any transferee of property passing outside the Trust Estate.

**Section 3.03. Distribution Upon Death of Settlor.**

(a) Division into Shares. The Trustee shall divide the Trust Estate into as many equal shares as there are children of the Settlor then living and groups composed of the issue of a deceased child of the Settlor. The Trustee shall allocate one (1) share to each living child of the Settlor and one (1) share to each group composed of the living issue of a deceased child. Each share shall be retained as a separate trust as further provided in this instrument.

(b) Retention in Trust of Shares for Children. Each share allocated to a living child of the Trustee shall be retained in trust as further provided in this instrument:

(1) Distributions of Principal and Income to a Child of the Settlor Under the Age of Twenty-Five (25). While a child of the Settlor is under the age of twenty-five (25), the Trustee shall pay to or apply for the benefit of each such child of the Settlor so much of the net income and principal of such child's share of the Trust Estate as the Trustee, in the Trustee's discretion, deems necessary for a child of the Settlor's proper health, support, maintenance and education, after taking into consideration to the extent the Trustee deems advisable, any other income or resources of such child known to the Trustee. Any income not distributed shall be accumulated and added to the principal of such child's share of the Trust Estate.

(2) Outright Distribution at Age Twenty-Five (25). When a child attains age twenty-five (25), the Trustee shall distribute to the child the entire balance of such child's share. If a child has already attained the age twenty-five (25) at the time the trust is divided into shares, the Trustee shall, upon making the division, distribute to such child all of his or her share.

(3) Distribution on Death of Child of Settlor. Upon the death of a child of the Settlor for whom a share of the Exemption Trust is then being held, the remaining balance of said deceased child's share, plus any accrued income and undistributed income of his or her share shall be distributed outright to the issue then living of the deceased child of the Settlor subject to the provisions of Section 3.04 below. If a child of the Settlor dies leaving no issue then living, the balance of such deceased child's share, plus any accrued income shall be distributed outright to the Settlor's then living issue by right of representation subject to the provisions of Section 3.04 below.

(c) Retention in Trust for Issue of Deceased Child. The Trustee shall distribute outright each share held for the benefit of a group composed of the living issue of a deceased child of the Settlor to such issue by right of representation subject to the provisions of Section 3.04 below.

**Section 3.04. Retention in Trust For Beneficiary Under At Twenty-Five (25).**

If any person entitled to outright distribution of a Trust or a portion of a Trust, other than a child of the Settlor, is under age twenty-five (25), the Trustee shall hold and administer the beneficiary's portion of the Trust Estate for the beneficiary's benefit as a separate Trust. Income of the beneficiary's portion shall be added to principal and the Trustee shall pay to or apply for the benefit of the beneficiary as much of the beneficiary's Trust as the Trustee in the Trustee's discretion deems necessary for the beneficiary's proper health, education, support and maintenance; provided however, no Trustee for whom a payment hereunder would constitute the discharge of support or other legal obligation shall participate in the decision to make such distribution under this paragraph and, in such case, the Co-Trustee, if any, or, if there is no Co-Trustee, the Successor Trustee(s) or, if there is none, a temporary Trustee appointed by the Court, shall have the exclusive discretionary power to make such distributions. When the beneficiary attains the age of twenty-five (25), the Trustee shall distribute to the beneficiary his or her entire share of the Trust Estate. If a beneficiary dies before attaining age twenty-five (25), the beneficiary's portion of the Trust shall be distributed outright to the living issue of such beneficiary by right of representation, or if there are none, to the then living issue of the beneficiary's parent, by right of representation; provided however, that any property distributable to a beneficiary outright for whom other property is then being held in Trust hereunder shall be held in Trust or added to such existing Trust, as the case may be, and shall be disposed of as a part thereof.

**Section 3.05. Distribution of Remainder.**

If at any time before full distribution of the Trust Estate the Settlor and all the Settlor's issue are deceased and no other disposition of the property is directed by this instrument, the remaining portion of the trust shall then be distributed to the legal heirs of ANNE M. CHISUM, the identity and respective shares of those heirs to be determined in all respects as though the death of ANNE M. CHISUM had occurred immediately following the event requiring distribution, and shall be determined according to the laws of succession of the State of California then in force relating to separate property not acquired from a parent, grandparent, or previously Deceased Spouse.

**ARTICLE FOUR**

P BK 92 PG 151

**Trustees**

**Section 4.01. Designation of Trustees.**

(a) Original Trustees. ANNE M. CHISUM shall serve as the original Trustee of this trust. Upon the resignation, incapacity or death of ANNE M. CHISUM, the successor Trustee(s) named in Paragraph (b) shall act as Trustee(s) in the order specified in Paragraph (b).

(b) Successor Trustee(s). If ANNE M. CHISUM is, for any reason unable to act as Trustee, FRED QUADROS shall serve as successor Trustee of all trusts established under this instrument. If FRED QUADROS is unable or unwilling to act, ELLIOT BARD shall act as Trustee of all trusts established herein.

(c) Court Appointment to Fill Vacancy. If for any reason there is no Trustee herein, then a successor Trustee shall be appointed by a court of competent jurisdiction, at the expense of the trust, and the successor Trustee shall succeed to all title to the trust property and to all powers, discretionary or otherwise given herein to a Trustee.

(d) No Trustee's Bond Required; Hold Harmless. No Trustee or successor Trustee shall be required, as such, to give bond, but if bond is nevertheless required by a court, the cost thereof shall be paid by the trust as a trust expense. In any event, it is expressly understood that the income, up to all of it, and if necessary, the Trust Estate, up to all of it, shall be used to hold, save and maintain the Trustee free and harmless from any and all claims of liability or damage to any person, howsoever arising, in any manner connected with or arising out of this trust agreement or the property constituting the Trust Estate.

**Section 4.02. Replacement of Trustee by Successor Trustee.**

If a trustee is unable to participate in trust activities because of illness, disability, or any other reason, the successor trustee designated in Section 4.01 may, during any such incapacity, act as trustee and make any and all decisions regarding the Trust Estate as trustee under this instrument. In determining the disability of the trustee, the successor trustee may rely on a certificate or other written statement from two licensed physicians who have examined the individual trustee. In the absence of such a certificate or statement, the successor trustee shall petition the court having jurisdiction over this trust for authority to proceed as successor trustee. The successor trustee shall incur no liability to any beneficiary of the trust or to the trustee who is replaced as a result of any action taken under this provision.

**Section 4.03. Trustee's Powers.**

P BK 92 PG 15a

Except as otherwise provided in this trust instrument, in order to carry out the provisions of the trusts created by this instrument, the Trustee shall have these powers in addition to those now or hereafter conferred by law:

(a) Investment Powers. To invest and reinvest funds in every kind of property, real, personal, or mixed, and every kind of investment, specifically including, but not limited to, corporate obligations of every kind; preferred or common stocks; shares of investment trusts, investment companies, mutual funds and mortgage participations, that persons of prudence, discretion, and intelligence acquire for their own account; provided, however, that the aggregate return of all investments from time to time shall be reasonable in light of then existing circumstances.

(b) Power to Retain Property. To continue to hold any property, including any shares of the Trustee's own stock, and to operate at the risk of the Trust Estate any business that the Trustee receives or acquires under the trust as long as the Trustee deems advisable.

(c) Power to Abandon Property. To abandon any property or interest in property belonging to the trust when, in the Trustee's discretion, the abandonment is in the best interest of the trust and its beneficiaries.

(d) Power to Purchase Bonds at Premium. To purchase bonds and to pay any premiums connected with the purchase that the Trustee in the Trustee's discretion considers advisable; provided, however, each premium is repaid periodically to principal from the interest on the bond in a reasonable manner as the Trustee determines and, to the extent necessary, from the proceeds on the sale or other disposition of the bond.

(e) Power to Purchase Bonds at Discount. To purchase bonds at a discount as the Trustee in the Trustee's discretion considers advisable. If, however, the Trustee determines in the Trustee's discretion that the current yield on the bonds is materially less than the rate of return that the trust could otherwise obtain with equivalent safety, all or a portion of the discount shall be credited periodically to income of the trust in a reasonable manner as the Trustee determines and, to the extent necessary, paid from the proceeds on the sale or other disposition of the bond or from principal.

(f) Power to Manage Securities. To have all the rights, powers, and privileges of an owner with respect to the securities held in trust, including, but not limited to, the powers to vote, give proxies, and pay assessments; to participate in voting trusts, pooling agreements, foreclosures, reorganizations, con-

solidations, mergers, and liquidations, and transfer title to any protective or other committee on such terms as the Trustee may deem advisable; and to exercise or sell stock subscription or conversion rights. The Trustee is authorized to buy, sell and trade in securities of any nature including short sales, on margin, and for such purposes may maintain and operate margin accounts with brokers and may pledge any securities held or purchased by them with such brokers as security for loans and advances made to the Trustee.

(g) Power to Hold Securities in Nominee's Name. To hold securities or other property in the Trustee's name as Trustee under this trust, or in the name of a nominee, or the Trustee may hold securities unregistered in such condition that ownership will pass by delivery.

(h) Power of Individual Trustee to Employ Investment Counsel. To retain professional investment counsel of his choice regarding trust investments in property held by these trusts. If such counsel is retained, the Trustee shall abide by the decision of the counsel but shall not be held liable or otherwise surcharged for losses directly attributable to investments made on the advice of the independent counsel. During the period independent counsel is retained by the Trustee, the Trustee shall not be required to conduct reviews of trust investments, and he shall not be required to take action in respect to trust investments unless he receives written instructions from the investment counsel. The Trustee shall also have the power to grant discretionary trading authority to a registered investment advisor who is employed by the Trustee.

(i) Power to Employ Agents. To employ any custodian, attorney (including a firm which the Trustee is a member of or associated with), accountant (including a firm which the Trustee is a member of or associated with), corporate fiduciary, or any other agent or agents to assist the Trustee in the administration of this trust. Reasonable compensation for all services performed by these agents shall not decrease the compensation to which the Trustee is entitled.

(j) Power to Sell, Exchange, Repair. To manage, control, grant options on, sell (for cash or on deferred payments), convey, exchange, partition, divide, improve, and repair trust property.

(k) Power to Lease. To lease trust property for terms within or beyond the term of this trust for any purpose, including exploration for and removal of gas, oil, and other minerals; and to enter into community oil leases, pooling, and unitization agreements.

(l) Trustee's Power to Loan to, Buy From, and Sell to Trust Individually. To loan or advance the Trustee's own funds to the trust for any trust purpose, with interest at reasonable rates; to receive security for such loans in the form of a mortgage, pledge, deed of trust, or other encumbrance of any assets of the trust; to purchase assets of the trust at their fair market value as determined by an independent appraisal of those assets; and to sell property to the trust at a price not in excess of its fair market value as determined by an independent appraisal.

(m) Provisions Relating to Release of Powers and Tax Elections.

(1) Release of Powers. To release or to restrict the scope of any administrative power that the Trustee may hold in connection with the trust created under this instrument, whether such power is expressly granted in the instrument or implied by law. The Trustee shall exercise this power in a written instrument executed by the Trustee, specifying the powers to be released or restricted and the nature of the restriction. Any power released or disclaimed by the Trustee shall pass to and be exercised by the other then acting Trustee, or if there is no other Trustee, to the successor Trustee named in this instrument or appointed by the court.

(2) Power to Adjust for Consequences of Tax Elections. To take any action and to make any election, in the Trustee's discretion, to minimize the tax liabilities of this trust and its beneficiaries, and the Trustee shall be required to allocate the benefits among the various beneficiaries, and the Trustee shall be required to make adjustments in the rights of any beneficiaries, or between the income and principal accounts, to compensate for the consequences of any tax election or any investment or administrative decision that the Trustee believes has had the effect of directly or indirectly preferring one beneficiary or group of beneficiaries over others.

(n) Power to Borrow. To borrow money, to utilize a margin account, and to encumber trust property by mortgage, deed of trust, pledge, or otherwise for the debts of the trust or the joint debts of the trust and a co-owner of trust property.

(o) Power to Commence or Defend Litigation and to Compromise. To commence or defend, at the expense of the trust, such litigation with respect to the trust or any property of the Trust Estate as the Trustee may deem advisable, and to compromise or otherwise adjust any claims or litigation against or in favor of the trust. The Trustee's powers under this paragraph shall apply during the term of the trust and after distribution of trust assets. However, the Trustee shall have no obligations or duties with respect to any litigation or claims occurring after distribution of trust assets unless the Trustee is adequately indemnified by the distributees for any loss in connection with such



matters.

(p) Power to Insure. To carry insurance of such kinds and in such amounts as the Trustee deems advisable, at the expense of the trust, to protect the Trust Estate and the Trustee personally against any hazard.

(q) Physical Division of Trust Property Not Required. There need be no physical segregation or division of the various trusts except as segregation or division may be required by the termination of any of the trusts, but the Trustee shall keep separate accounts for the different undivided interests.

(r) Termination and Distribution. To partition, allot, and distribute the Trust Estate on any division or partial or final distribution of the Trust Estate, in undivided interests or in kind, or partly in money and partly in kind, at valuations determined by the Trustees, and to sell any property the Trustees consider necessary for division or distribution. In making any division or partial or final distribution of the Trust Estate, the Trustees are not obligated to make a pro rata division or to distribute the same assets to beneficiaries similarly situated. The Trustees may, in the Trustees' discretion, make a non-pro rata division between trusts or shares and non-pro rata distributions to the beneficiaries if the respective assets allocated to separate trusts or shares, or distributed to the beneficiaries, have equivalent or proportionate fair market value and income tax bases.

**Section 4.04. Revised Uniform Principal and Income Act to Govern.**

Except as otherwise specifically provided in this instrument, the determination of all matters with respect to what is principal and income of the Trust Estate and the apportionment and allocation of receipts and expenses between these accounts shall be governed by the provisions of the California Revised Uniform Principal and Income Act from time to time existing. Any such matter not provided for either in this instrument or in the California Revised Uniform Principal and Income Act shall be determined by the Trustee, in the Trustee's discretion.

Notwithstanding any other provision of this instrument or of the California Revised Uniform Principal and Income Act, the Trustee must establish a reserve for depreciation of all income-producing real and personal property and of capital improvements and extraordinary repairs. In addition:

A reasonable reserve for depletion of all depletable natural resources, including, but not limited to, oil, gas, and mineral and timber property, shall be charged to income from time to time;

Distributions by mutual funds and similar entities of gains from the sale or other disposition of property shall be credited to principal;

A reasonable reserve for amortization of all intangible property with a limited economic life including, but not limited to, patents and copyrights shall be charged to income from time to time. All provisions of this Section 4.03 and this trust instrument shall be subject to the requirement that the aggregate return of all investments of the trust from time to time are reasonable in light of the existing circumstances.

**Section 4.05. Accounting by Trustee.**

During the lifetime of the Settlor, the Trustee shall account only to the Settlor, and her written approval shall be final and conclusive in respect to transactions disclosed in the account as to all beneficiaries of the trust, including unborn and contingent beneficiaries. After the death of the Settlor, the Trustee shall, in addition to any accounting required under Section 16062 et. seq. of the California Probate Code, render an accounting, from time to time but not less frequently than every five (5) years after any prior accounting, regarding the transactions of any trust created in this instrument. Accountings shall also be rendered by any Trustee within ninety (90) days after his resignation or removal by a court of competent jurisdiction.

Accountings shall be made by delivering a written accounting to each beneficiary entitled to current income distribution and to each remainderman in being, or (if there are no current income beneficiaries) to each beneficiary entitled to current distribution out of income or principal in the Trustee's discretion and to each remainderman in being. If any person entitled to receive an accounting is a minor or is under a disability, the accounting shall be delivered to his parents or the Guardian of his person if he is a minor or to the Conservator of his person if he is under any other disability. Unless any beneficiary, (including parents, Guardians, or Conservators of beneficiaries), shall deliver a written objection to the Trustee within ninety (90) days after receipt of the Trustee's account, the account shall be final and conclusive in respect to transactions disclosed in the account as to all beneficiaries of the trust, including unborn and unascertained beneficiaries. After settlement of the account by agreement of the parties objecting to it, or by expiration of the 90-day period, the Trustee shall no longer be liable to any beneficiary of the trust, including unborn and unascertained beneficiaries, in respect to transactions disclosed in the account, except for the Trustee's intentional wrongdoing or fraud.

ARTICLE FIVE

P BK 92 PG 157

Revocation or Amendment

Section 5.01. Revocation During Settlor's Lifetime.

The Settlor may at any time during her lifetime revoke this instrument in whole or in part by an instrument in writing delivered to the Trustee. If the Settlor revokes this instrument, the Trustee shall deliver promptly to the Settlor or her designee all or the designated portion of the trust assets. If the Settlor revokes this instrument entirely or with respect to a major portion of the assets subject to the instrument, the Trustee shall be entitled to retain sufficient assets reasonably to secure payment of liabilities lawfully incurred by the Trustee in the administration of the trust, including Trustee's fees that have been earned, unless the Settlor shall indemnify the Trustee against loss or expense. Any trusts established under this instrument shall become irrevocable on the death of the Settlor.

Section 5.02. Amendment.

The Settlor may at any time during her lifetime amend any of the terms of this instrument by an instrument in writing signed by the Settlor and delivered to the Trustee. No amendment shall substantially increase the duties or liabilities of the Trustee or change the Trustee's compensation without the Trustee's consent, nor shall the Trustee be obligated to act under such an amendment unless the Trustee accepts it. If a Trustee is removed, the Settlor shall pay to the Trustee any sums due and shall indemnify the Trustee against liability lawfully incurred by the Trustee in the administration of the trusts.

Section 5.03. Powers of Revocation and Amendment Personal to Settlor.

The powers of the Settlor to revoke or amend this instrument may be exercised by her Conservator by petition to the court in accordance with the provisions of Probate Code Section 2580 or any successor to such statute.

ARTICLE SIX

Generation-Skipping Tax Provisions

Section 6.01. Definitional Material Regarding Generation Skipping Provisions.

(a) References to "generation-skipping" in this instrument refer to that term as it is used in the federal generation-skipping transfer tax under Chapter 13 of the Internal Revenue Code of 1986, as amended ("IRC").

(b) In this Article, and in the generation-skipping context generally, the term "Exempt" refers to (or the label "Exempt" is a special titling for) a trust or property that has a generation-skipping inclusion ratio of zero (that is, an applicable fraction for generation-skipping purposes of one). The adjective "Non-Exempt" (or the label "Non-Exempt") indicates a trust or property that has a generation-skipping inclusion ratio of one (that is, an applicable fraction of zero).

**Section 6.02. Miscellaneous Provisions Regarding Exempt and Non Exempt Trusts.**

(a) Preservation of Inclusion Ratios. On termination, partial termination, subdivision or distribution of any of the separate trusts created by this instrument, or when it is provided that separate trusts are to be combined, the Non-Exempt (inclusion ratio of one) or Exempt (zero inclusion ratio) generation-skipping character of the property of the trusts shall be preserved. Accordingly, when property is to be added to or combined with the property of another trust or other trusts, or when additional trusts are to be established from one or more sources, Non-Exempt property or trusts shall not be added to or combined with Exempt property or trusts, even if this requires the establishment of additional separate trusts with the same terms and provisions. If, for example, the terms of what would otherwise be one trust direct that, on termination (or on failure to exercise a power of appointment), trust property is to be added to another trust, the Exempt property of a separate trust that had been derived from the terminating trust shall be added only to an Exempt trust derived from the recipient trust; Non-Exempt property shall be similarly added only to a Non-Exempt recipient trust; and if no appropriate recipient trust exists for either Exempt or Non-Exempt property, then a new trust of that character shall be established with the same terms and provisions as those of the trust that would otherwise receive that property under the original trust terms.

(b) Discretionary Payments of Principal. Except as expressly provided in this instrument, when a Trustee may make discretionary payments of principal or income from either the Exemption Trust or the Residual Trust, the Trustee shall, to the extent practical, make all such distributions of principal or income first from the Residual Trust until it is exhausted.

(c) Payments of Debts and Expenses. Except as expressly provided in this instrument, when a Trustee is directed to make distributions for the payment of debts or other expenses, from either the Exemption or Residual Trust, the Trustee shall, to the extent practical, make all such distributions first from the Residual Trust until it is exhausted.

(d) Apportionment of Death Taxes. Except as expressly provided in this instrument, all death taxes that are attributable to an Exemption trust, shall be charged, to the extent practical, to the corresponding Residual Trust.

**Section 6.03. Generation-Skipping "Favorable Interpretation" Clause.**

All provisions of this instrument shall be construed to provide for or permit division, distribution and administration of trusts and other dispositions in a timely manner consistent with objectives of efficiently using available generation-skipping Exemptions and (to the extent possible) of establishing and maintaining only trusts that have inclusion ratios either of zero or of one and are thus either entirely Exempt or entirely Non-Exempt from any generation-skipping taxes.

**ARTICLE SEVEN**

**Miscellaneous Clauses**

**Section 7.01. Spendthrift Clause.**

No interest in the principal or income of any trust created under this instrument shall be anticipated, assigned, encumbered, or subjected to creditor's claim or legal process before actual receipt by the beneficiary.

**Section 7.02. Perpetuities Savings Clause.**

Unless sooner terminated in accordance with other provisions of this instrument, all trusts created under this instrument shall terminate twenty-one (21) years after the death of the Settlor or of the Settlor's issue living on the date of death of the Settlor. The principal and undistributed income of a terminated trust shall be distributed to the then income beneficiaries of that trust in the same proportion that the beneficiaries are entitled to receive income when the trust terminates. If at the time of such termination the rights to income are not fixed by the terms of the trust, distribution under this clause shall be made, by right of representation, to the persons who are entitled or authorized, in the Trustee's discretion, to receive trust payments.

**Section 7.03. Undistributed Income Payable to Succeeding Beneficiaries.**

Income accrued or unpaid on trust property when received into the trust shall be treated as any other income. Income accrued or held undistributed by the Trustee at the termination of any trust created here shall go to the next beneficiaries of the trust in proportion to their interest in it. This provision shall not apply to income accrued on Treasury bonds redeemed in payment of

the Settlor's federal estate tax.

**Section 7.04. Allocation of Expenses Among Successive Beneficiaries.**

Among successive beneficiaries of this trust, all taxes and other current expenses shall be deemed to have been paid and charged to the period in which they first became due and payable.

**Section 7.05. Notice to Trustee of Births, Deaths, and Other Events Affecting Interests.**

Unless the Trustee shall have received actual written notice of the occurrence of an event affecting the beneficial interests of this trust, the Trustee shall not be liable to any beneficiary of this trust for distribution made as though the event had not occurred.

**Section 7.06. Additions to Trust.**

Other property acceptable to the Trustee may be added to these trusts by the Settlor or any other person, by the Will or Codicil of Settlor, by the proceeds of any life insurance, or otherwise.

**Section 7.07. Gender and Number.**

As used in this instrument, the masculine, feminine, or neuter gender, and the singular or plural number, shall include the others whenever the context so indicates.

**Section 7.08. Severability.**

If any provision of this trust instrument is unenforceable, the remaining provisions shall nevertheless be carried into effect.

**Section 7.09. Definition of Issue and Children.**

In this instrument, the term "issue" shall refer to linear descendants of all degrees, and the terms "child," "children" and "issue" shall include adopted children only if they were minors at the date of adoption.

**Section 7.10. Definition of Education.**

Whenever provision is made to pay for the education of a beneficiary, the term "education" shall include, but not by way of limitation, college and postgraduate study as long as in the Trustee's discretion it is pursued to advantage by the beneficiary at an institution of the beneficiary's choice. In determining payments to be made to the beneficiary for such education, the Trustee may make distributions for the beneficiary's reasonably related living and traveling expenses to the extent they are reasonable.

**Section 7.11. No-Contest Clause.**

Except as otherwise provided in this instrument, the Settlor has intentionally and with full knowledge omitted to provide for her heirs.

In the event any beneficiary under this trust shall, singly or in conjunction with any other person or persons, contest in any court the validity of this trust or the Settlor's last Will or shall seek to obtain an adjudication in any proceeding in any court that this trust or any of its provisions or that such Will or any of its provisions is void, or seek otherwise to void, nullify, or set aside this trust or any of its provisions, then the right of that person to take any interest given to him by this trust shall be determined as it would have been determined had the person predeceased the execution of this Declaration of Trust without surviving issue. The provisions of this Paragraph shall not apply to any disclaimer by any person of any benefit under this trust or under any Will.

The Trustee is hereby authorized to defend, at the expense of the Trust Estate, any contest or other attack of any nature on this trust or any of its provisions.

**Section 7.12. Name of Trust.**

The trusts created under this instrument may be referred to collectively as the 1991 ANNE M. CHISUM REVOCABLE TRUST and each trust created under the terms of this instrument may be referred to by adding the name of the beneficiary or beneficiaries of the specific trust.

**Section 7.13. Law for Construction of Trusts.**

This Trust Agreement and the validity of, construction of, and all rights under the trusts provided in this Declaration shall be governed by the laws of the State of California.

Certification of Settlor and Trustee

that: ANNE M. CHISUM, as Settlor and Trustee hereby certifies

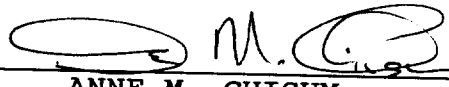
1. She has read the foregoing Declaration of Trust;
2. The foregoing Declaration of Trust correctly states the terms and conditions under which the Trust Estate is to be held, managed, administered, and disposed of by the Trustee;
3. She approves such Declaration of Trust in all particulars; and
4. As the Trustee named in such Declaration of Trust she approves and accepts the trusts provided for in such Declaration.

Executed on September 13, 1991 at Salinas, Monterey County, California.

Settlor:

Trustee:

  
\_\_\_\_\_  
ANNE M. CHISUM

  
\_\_\_\_\_  
ANNE M. CHISUM



ACKNOWLEDGMENT

P. BK 92 PG 163

STATE OF CALIFORNIA     )  
                                      )   ss  
COUNTY OF MONTEREY     )

On this the 13th day of September, 1991, before me,  
the undersigned Notary Public, personally appeared ANNE M.  
CHISUM,

/X/ personally known to me

/ proved to me on the basis of satisfactory evidence

to be the person who executed the within instrument, and acknow-  
ledged to me that she executed the same.

WITNESS my hand and seal.



Theresa M. Elarmo  
NOTARY PUBLIC

**AMENDMENT NO. 1**  
**TO THE**  
**1991 ANNE M. CHISUM REVOCABLE TRUST**

ANNE M. CHISUM, Settlor, does hereby make this Amendment No. 1 to the 1991 ANNE M. CHISUM REVOCABLE TRUST U/D/T dated September 13, 1991 as follows:

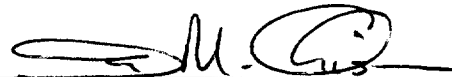
**FIRST:** The Settlor hereby amends the terms of Section 4.01 (b) to read as follows:

**"Section 4.01. Designation of Trustee.**

(b) Successor Trustee(s). If ANNE M. CHISUM is, for any reason unable to act as Trustee, JANET LYNCH-DAVENPORT shall serve as successor Trustee of all trusts established under this instrument. If JANET LYNCH-DAVENPORT is unable or unwilling to act, CLARK SAVAGE shall act as Trustee of all trusts established herein.

**SECOND:** All other provisions of the 1991 ANNE M CHISUM REVOCABLE TRUST shall remain in full force and effect.

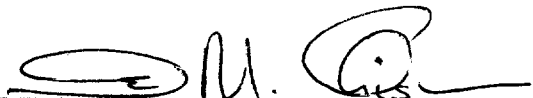
EXECUTED this 26<sup>th</sup> day of August, 1992, at Salinas, California.



Anne M. Chisum, Settlor

**ACCEPTANCE OF TRUSTEE**

I hereby accept this Amendment No. 1 and agree to be bound by its terms.



Anne M. Chisum, Trustee

ACKNOWLEDGMENT

P BK 92 PG 165

STATE OF CALIFORNIA       )  
                                  ) ss  
COUNTY OF MONTEREY    )

On this 26<sup>th</sup> day of AUGUST, 1992, before me,  
the undersigned Notary Public, personally appeared

ANNE M. CHISUM, Settlor and Trustee

/ X / personally known to me

/        / proved to me on the basis of satisfactory evidence

to be the person(s) who executed the within instrument, and  
acknowledged to me that she executed the same.

WITNESS my hand and seal.

Walter H. Steff  
Notary Public